



MARYLAND HEALTH CARE COMMISSION

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Maryland Health Care Spending Increased To \$35.8 Billion In 2007

BALTIMORE, MD (March 19, 2009) – *State Health Care Expenditures: Experience from 2007*, an annual report that contains information on health care expenditures for Maryland residents by public and private sources during calendar year 2007, was released today by Maryland Health Care Commission (MHCC) chair Dr. Marilyn Moon. Mandated by health care reform legislation passed in 1993, this report continues the MHCC's effort to measure health care spending in Maryland.

Major findings include:

- Total spending on services provided to residents of the state climbed to \$35.8 billion in 2007. Per capita health care spending (\$6,374) increased by six percent from 2006 to 2007, somewhat slower than the longer term average growth rate of seven percent from 2003 to 2007. Maryland's per capita health care spending and rate of growth from 2006 to 2007 are similar to the national averages.
- Spending per capita on hospital inpatient and outpatient services increased by eight percent, slightly faster than the seven percent increase reported for the US. Hospital spending accounts for about 32 percent of the total \$35.8 billion in spending.
- Per capita spending for health professional services, the second largest category of spending, grew by three percent in 2007. Spending in this service category grew more slowly in Maryland than in the U.S.
- Spending on administration and the net cost of insurance grew by five percent per capita overall, somewhat lower than was reported for the U.S. (six percent).
- Total expenditures by the federal government on Medicare grew the most rapidly (9 percent) among all payers due to increased volume and intensity in the use of services and a two percent jump in enrollees from 2006 to 2007. Spending for the privately insured increased more slowly at five percent; private enrollment was stable.
- Out of pocket spending by patients grew by six percent, slightly faster than the growth reported nationally.

For questions regarding the report, please contact Mr. Ben Steffen, Center for Analysis and Information Services at 410-764-3570 or bsteffen@mhcc.state.md.us.

**The complete report is available on the MHCC Web site at mhcc.maryland.gov
Please call 410-764-3570 for a hard copy.**